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PROPOSED MARKETING AGREEMENT FOR MILK -- Florida

This proposed marketing agreement has been drafted by the Better Milk Cooperative League of Duval County, Leon County Dairy Association, Orange County Milk Producers Association, Dairy Owners Association and the Jacksonville Milk Producers Association; and the Florida Dairy Products Association; and this proposed marketing agreement has been submitted by these groups to the Milk Industry in the State of Florida as a basis for a marketing agreement to be presented to the Secretary of Agriculture for his approval.

AGREEMENT:

As used in this agreement, the following words and phrases shall be defined as follows:

- a. "Contracting Producers" means and includes Better Milk Cooperative League of Duval County, Leon County Dairy Association, Orange County Milk Producers Association, Dairy Owners Association and the Jacksonville Milk Producers Association and such other producers and associations of producers of "fluid milk" sold or consumed in the "Florida Areas" as may become signatory to this agreement according to the terms thereof.
- b. "Contracting Distributors" means and includes the members of the Florida Dairy Products Association and such other distributors and/or processors of "fluid milk" doing business in the "Florida Areas" as may become parties signatory to this agreement according to the terms thereof.
- c. "Fluid Milk" means and includes fluid milk and fluid cream, and such fluid derivatives thereof as are listed in Exhibit "C".
- d. "Florida Metropolitan Sales Areas" means and includes the cities of Jacksonville, Tampa, Miami and Tallahassee and the territory lying within 25 miles distant, air line, from the nearest point making corporate limits of the cities of Jacksonville, Tampa, Miami and Tallahassee.
- e. "Florida Milk Shed" means and includes the territory bounded as set forth in Exhibit "D".
- f. "Secretary" means the Secretary or acting Secretary of Agriculture of the United States.
- g. "Act" means the Agricultural Adjustment Act approved May 12, 1933, as amended.

h. "Dairy Council" means the Florida Dairy Council, a non-profit association, controlled by some of the contracting producers and some of the contracting distributors and supervised by an appointed representative of the Secretary of Agriculture of the United States, and the purpose of which is for advertising milk and health education.

WHEREAS, pursuant to the "ACT", the parties hereto, for the purpose of correcting the conditions now obtaining in the marketing of fluid milk in the "Florida Areas", desire to enter into a marketing agreement under the provisions of Section 8 (2) of the "ACT", and

WHEREAS, the "contracting producers" signatory to this agreement and the Florida Dairy Products Association market more than 75 percent of the "fluid milk" distributed and consumed in the "Florida Areas" and represent that they have legal power and authority to enter into this agreement, and

WHEREAS, the Florida Dairy Products Association distributes more than 70 percent of the "fluid milk" distributed in the "Florida Areas", and

NOW THEREFORE, in consideration of the premises the parties hereto agree as follows:

1. The prices at which "fluid milk" shall be sold by the "contracting producers" and purchased by the "contracting distributors" for the distribution or consumption in the "Florida Areas" shall be those set forth in Exhibit "A" which is attached hereto and made a part hereof. The prices set forth in Exhibits "A" may be changed by agreement between the "contracting producers" and the "contracting distributors" provided, however, that such price changes shall become effective only upon the written approval of the Secretary.

2. The marketing plan governing the marketing of milk which is attached hereto, made a part hereof, and marked Exhibit "B" shall be binding upon the "contracting producers" as to all matters therein required on their part to be performed and upon the "contracting distributors" as to all matters therein required on their part to be performed. Such marketing plan may be modified by agreement between the "contracting producers" and the "contracting distributors" provided, however, that such modified marketing plan shall become effective only upon the written approval of the Secretary.

3. The wholesale and retail prices at which "fluid milk" shall be distributed by the "contracting distributors" in the "Florida Areas" shall be those defined and set forth in Exhibits "C" which are attached hereto and made a part hereof. The prices set forth in Exhibits "C" may be changed by agreement between the "contracting distributors", provided, however, that such price changes shall become effective only upon the written approval of the Secretary.

4. All "contracting distributors" and all "contracting producers" agree to contribute and pay over to the Florida Dairy Council for its maintenance, on or before the 10th day of each month for the preceding month, one cent for each 100 pounds of "fluid milk" purchased, and one cent per each 100 pounds of all "fluid milk" sold, respectively.

5. The "contracting distributors" each agree that they will not purchase fluid milk and/or cream from any producer who is not a member of a contracting producer association, unless such producers authorize the purchasing "contracting distributors" to pay over to said Dairy Council not less than 1¢ per cwt. for all milk delivered to said "contracting distributors".

6. The "contracting producers" and the "contracting distributors" shall, as and to the extent required by the Secretary, severally maintain systems of accounting which shall be subject to his examinations during the usual hours of business, and they shall severally, from time to time, furnish to the Secretary on and in accordance with forms to be supplied by the Department of Agriculture such information as the Secretary may request.

7. The standards governing the production, receiving, transportation, processing, bottling and distribution of "fluid milk" sold or distributed in the "Florida Areas" shall be those established by the health ordinances and/or dairy inspection laws of the respective cities of the State of Florida.

The "contracting distributors" and "contracting producers" further severally agree that they will not give any rebate to any customer, directly or indirectly, nor lend any money, furnish any ice box, ice refrigeration, or other equipment whatsoever, nor paint any signs free of charge; or in any way make any inducements to secure trade that will differ from the prices, quality and service established by this agreement, provided however, that insofar as any party hereto has heretofore furnished any equipment, all such equipment shall upon a full value change of said customer's account be bought by the party obtaining said account or returned to the owner of such equipment.

The "contracting distributors" and "contracting producers" further severally agree that in the event they employ an employee or former employee of a competitor they will not, within sixty days from the date of said employee's last employment by said competitor, use such employee in any territory worked by him during the time in which he was employed by said competitor and will not within said sixty days period sell such employee any milk to be distributed or which might be distributed by or through him in territory formerly worked by him as aforesaid.

8. This agreement shall become effective at such time as the Secretary may determine and shall continue in force until the last day of the month following the aforesaid effective date, and thereafter from month to month, except that:

(a) The Secretary may (and shall upon the request of either 75 percent of the "contracting producers" or 75 percent of the "contracting distributors", such percentage to be measured by volume of "fluid milk" marketed or distributed, respectively) by notice in writing deposited in the registered mail, and addressed to the respective "contracting producers" signatory to this agreement and the Florida Milk Products Association at the respective addresses now on file with the Secretary, on or before the 20th day of any month terminate said contract as of the end of such month.

(b) The Secretary may, for good cause shown, as of the end of any month terminate this agreement as to any party or parties signatory hereto by notice

in writing deposited on or before the 20th day of such month in the registered mails and addressed to such party or parties at the address or addresses of such party or parties on file with the Secretary.

(c) This agreement shall, in any event, terminate whenever Title 1 of this Act shall cease to be in effect or whenever the President or Congress shall terminate those provisions of the Act which authorize this agreement.

9. The benefits, privileges and immunities conferred by virtue of this agreement shall cease to exist upon the termination of this agreement, and the benefits, privileges, and immunities conferred by virtue of this agreement upon any party or parties signatory thereto shall cease to exist upon the termination of this agreement as to such party or parties.

IN WITNESS WHEREOF, the parties to this agreement have hereunto caused their respective names to be signed through their respective duly authorized officers.

"CONTRACTING PRODUCERS"

Miami Home Producers Association,
E. C. Fogg Jr. Manager.

Better Milk League of Alachua County,
W. S. McDonall, President.

Escambia Co. Dairymens Association,
J. H. Barber, President.

Leon County Dairy Association,
J. Pasco Love.

Daytona Beach Dairymens Association,
Raymond Burile, President.

Orange County Milk Producers Association
A. P. Donohue, President.

Dairy Owners Association, Miami, Fla.
W. A. Perry, President

"CONTRACTING DISTRIBUTORS"

Florida Dairy Products Association,
Paul E. Reinhold, President,
D. R. Smith, Asst. Secretary

Daytona Beach Dairymens Association,
Raymond Burile, President.

Note:

This agreement is executed by Better Milk Co-operative League, of Duval County, with the understanding that, at a hearing before the Secretary of Agriculture, changes and amendments offered by said Better Milk Cooperative League will be accepted.

Better Milk Cooperative League of Duval County,
S. J. Sneller, Manager.

EXHIBIT "A"

PRODUCTION PRICE

Prices paid to producers shall be determined with reference to the definition of milk classes and "rules for control of Basis Production" (set forth in Exhibit "B" of this agreement) which set up quantities of milk known as "bases" and define the classes of milk referred to herein.

JACKSONVILLE & TALLAHASSEE AREAS

The price of Class 1 milk, b.o.b. Jacksonville and Tallahassee, shall be \$2.35 per cwt. for milk of 4.2% butterfat content. The price of Class 2 milk, f.o.b. Jacksonville and Tallahassee, shall be \$1.75 per cwt. for milk of 4.2% butterfat content. The price of Class 3 milk cwt. f.o.b. Jacksonville and Tallahassee shall be: The butterfat content of milk times the price in the Chicago market of 92 score creamery butter sold at wholesale during current month as reported by the U. S. Department of Agriculture, plus 20¢.

MIAMI & TAMPA AREAS

The price of Class 1 milk, f.o.b. Miami and Tampa, shall be \$2.73 per cwt. for milk of 4.2% butterfat content subject to a differential of 4¢ per 1/10 of 1 percent of butterfat content below or above 4.2%. The price of Class 2 milk, f.o.b. Miami and Tampa, shall be \$1.90 per cwt. for milk of 4.2% butterfat content adjusted by the aforesaid butterfat content differential. The price of Class 3 milk per cwt. F.O.B. Miami and Tampa shall be: The butterfat content of milk times the price in the Chicago market of 92 score creamery butter sold at wholesale as reported by the U. S. Department of Agriculture, plus 20¢.

The "contracting distributors", subject, however, to sanitary requirements referred to in paragraphs 5 and 7 of this agreement, severally agree to purchase all of the milk delivered by "contracting producers". Payments to "contracting producers" of milk delivered by "contracting producers" to "contracting distributors" during the first half of any month shall be made not later than the 25th of the month, and similarly payments for milk delivered during the last half of any month shall be made not later than the 10th of the following month.

"Contracting producers" except producer-distributors (a producer-distributor as the term is used in this Exhibit and in Exhibit "B" means a producer who distributes only the milk produced on a farm or farms operated by him) agree that they will not distribute milk at retail while selling to "contracting distributors". "Contracting distributors" agree that they will not purchase any milk from producer-distributors at prices in excess of those established for Class 3 milk.

EXHIBIT "B"

DEFINITION OF MILK CLASSES AND RULES FOR CONTROL OF BASIC PRODUCTION

For the purpose of this agreement, the terms of Class 1 milk, Class 2 milk, and Class 3 milk shall be defined and used for all sales and purchases between "contracting producers" and "contracting distributors" with settlement made between the parties signatory hereto as follows:

Class 1 milk - shall be all fluid milk sold by contracting distributors at retail, wholesale, bottles and bulk for human consumption as fluid milk.

Class 2 milk - shall be all fluid milk required for separation to produce all the fluid sweet cream sold by contracting distributors as cream, at retail or wholesale, bottled or bulk, for human consumption as cream.

Class 3 milk - shall be all fluid milk delivered to and accepted by contracting distributors, in excess of the total amount of Class 1 and Class 2 milk heretofore defined.

For the purpose of this agreement the terms Class 1 milk and Class 2 milk as used in respect to any producer member of contracting producer associations, shall be the quantities of milk set up in those respective classes in accordance with such plan as may be worked out by the officers of said associations collectively signatory hereto, and approved by the Secretary, Class 3 milk as to any producer shall be whatever amount of milk may be produced in addition to Class 1 and Class 2 as above defined. Producers not members of any contracting producers association shall have set up for them by the local representative of the Secretary, Class 1 and 2 amounts of milk on the same basis as are set up for members of said association. Every "contracting distributor" shall report to the Secretary or his duly appointed agent on or before the 10th of each month for the preceding month's operations the total amounts of milk purchased in Classes 1, 2 and 3, respectively, and furnish vouchers showing the sale of dairy products equivalent to the amount of milk purchased as Class 3 milk.

"Contracting distributors" agree that they will not purchase milk and/or cream for Class 1 and Class 2 uses as set forth herein outside the "Florida Milk Shed", as set forth herein, so long as there is a sufficient supply available from the "contracting producers".

EXHIBIT "C"

The term "wholesale" as used in this Exhibit, shall mean sales by distributors to any grocer or grocery, hotel, cafe, lunch-stand, drugstore, school, hospital or merchant buying to resell to any boarding house or fraternity house, purchasing, respectively, at a volume of not less than 4 quarts a day.

WHOLESALE PRICE SCHEDULE MINIMUM

MIAMI AND TAMPA AREAS (Sale by Distributors for resale)

Milk - Bulk, for consumption as milk:

38¢ per gallon in full 8 gal. or 10 gal. cans.
40¢ per gallon in split cans.

MILK - BOTTLES:

Quarts - 11 1/2¢
Pints - 7¢
1/2 Pts. - 3 1/2¢

CERTIFIED MILK

Quarts - 18¢
Pints - 10¢
1/2 Pts. - 7¢

BUTTERMILK

Gallons (Bulk) - 25¢
Quarts - 8¢
Pints - 5¢
1/2 Pints - 3¢

CHURNED BUTTERMILK

Gallons (Bulk) - 25¢
Quarts - 8¢
Pints - 5¢
1/2 Pints - 3¢

CHOCOLATE MILK:

Quarts - 11 1/2¢
Pints - 7¢
1/2 Pts. - 3 1/2¢

CREAM BULK: For consumption as cream for
each percent butterfat content.

7¢ a pt. - 8 gallons or over
8¢ a pt. - less than 8 gallons.

CREAM - BOTTLES, Sweet: - Wholesale

Cream with a 20% butterfat content - 40¢ per quart

Cream with a 20% butterfat content - 22¢ per pint

Cream with a 20% butterfat content - 12¢ per 1/2 Pint

Cream with a 40% butterfat content - 75¢ per quart

Cream with a 40% butterfat content - 40¢ per pint

Cream with a 40% butterfat content - 20¢ per 1/2 pint.

RETAIL PRICE SCHEDULE MINIMUM
MIAMI & TAMPA AREAS

MILK & CHOCOLATE:

Retail to homes:

Quarts - 13¢
Pints - 8¢
1/2 Pints - 5¢

Retail from Stores:

Quarts - 13¢
Pints - 8¢
1/2 Pints - 5¢

SPECIAL MILK (such as milk labelled "Vitamin D" or the like)

Quarts - 15¢
Pints - 8¢

BUTTERMILK:

CULTURED MILK

Retail to Homes:

Gallons - 40¢
Quarts - 10¢
Pints - 6¢

Retail from stores:

Gallons - 40¢
Quarts - 10¢
Pints - 6¢

CHURNED BUTTERMILK

Retail to Homes:

Gallons - 40¢
Quarts - 10¢
Pints - 6¢

Retail from stores:

Gallons - 40¢
Quarts - 10¢
Pints - 6¢

CREAM: (with a 20% butterfat content) (with 40% butterfat content)

Retail from stores:

Quarts	-	45¢
Pints	-	25¢
1/2 Pints	-	15¢

Retail from stores:

Quarts	-	80¢
Pints	-	45¢
1/2 Pints	-	25¢

Retail to homes:

Quarts	-	45¢
Pints	-	25¢
1/2 Pints	-	15¢

Retail to homes:

Quarts	-	80¢
Pints	-	45¢
1/2 Pints	-	25¢

COTTAGE CHEESE:

Retail: 10 & 12 oz. ctns - 15¢ Wholesale: 10 & 12 oz. ctns - 12¢

Bulk: 10 lb. cartons 10¢ per lb.
5 lb. cartons 12¢ per lb.

SOUR CREAM:

Retail to homes:

Quarts	-	55¢
Pints	-	28¢
1/2 Pints	-	16¢

Retail from Stores:

Quarts	-	50¢
Pints	-	25¢
1/2 Pints	-	15¢

WHOLESALE PRICE SCHEDULE MINIMUM

JACKSONVILLE & TALLAHASSEE AREAS

Same as in Miami and Tampa Areas except:

MILK - BOTTLES:

Quart - 10 1/2¢

RETAIL PRICE SCHEDULE MINIMUM

JACKSONVILLE & TALLAHASSEE AREAS

Same as in Miami and Tampa Areas except:

MILK & CHOCOLATE:

Retail from stores: Quarts - 12¢

EXHIBIT "D"

PRODUCTION AREAS

(a) All producers of "fluid milk" whose farms are located in the counties listed below shall be recognized as being a part of the "Tallahassee Producing Area":

Escambia
Santa Rosa

Jackson
Liberty

Okaloosa	Franklin
Walton	Wakulla
Holmes	Leon
Washington	Gadsden
Bay	Jefferson
Gulf	Madison
Calhoun	Taylor

(b) All producers of "fluid milk" whose farms are located in the counties listed below shall be recognized as being a part of the "Jacksonville Producing Area":

Hamilton	Lake
Suwannee	Putnam
La Fayette	Clay
Dixie	Duval
Levy	Nassau
Gilchrist	St. Johns
Columbia	Flagler
Baker	Volusia
Union	Seminole
Bradford	Orange
Alachua	Brevard
Marion	Osceola

(c) All producers of "fluid milk" whose farms are located in the counties listed below shall be recognized as being a part of the "Tampa Producing Area":

Citrus	Sarasota
Hernando	Manatee
Pasco	Hardee
Sumter	Hillsborough
Polk	Pinellas
Highland	Charlotte
DeSota	Lee

(d) All producers of "fluid milk" whose farms are located in the counties listed below shall be recognized as being a part of the "Miami Producing Area":

Date	Indian River
Broward	Glades
Palm Beach	Hendry
Martin	Collier
Okeechobee	Monroe
St. Lucie	

